

NEWS RELEASE



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Occupational Employment and Wages in Birmingham-Hoover, May 2013

Workers in the Birmingham-Hoover Metropolitan Statistical Area had an average (mean) hourly wage of \$20.73 in May 2013, 7 percent below the nationwide average of \$22.33, according to the U.S. Bureau of Labor Statistics. Regional Commissioner Janet S. Rankin noted that, after testing for statistical significance, wages in the local area were significantly higher than their respective national averages in 2 of the 22 major occupational groups. Seventeen groups had significantly lower wages than their respective national averages, including healthcare practitioners and technical, building and grounds cleaning and maintenance, and construction and extraction.

When compared to the nationwide distribution, local employment was more highly concentrated in 6 of the 22 occupational groups, including healthcare practitioners and technical, sales and related, and office and administrative support. Conversely, 10 groups had employment shares significantly below their national representation, including food preparation and serving related, business and financial operations, and management. (See table A and box note at end of release.)

One occupational group—sales and related—was chosen to illustrate the diversity of data available for any of the 22 major occupational categories. Birmingham-Hoover had 61,160 jobs in sales and related, accounting for 12.5 percent of local area employment, significantly higher than the 10.6-percent share nationally. The average hourly wage for this occupational group locally was \$18.00, compared to the national wage of \$18.37.

With employment of 16,150, cashiers was the largest occupation within the sales and related group, followed by retail salespersons (15,710) and sales representatives, wholesale and manufacturing, except technical and scientific products (9,650). Among the higher paying jobs were first-line supervisors of non-retail sales workers and sales representatives, wholesale and manufacturing, except technical and scientific products, with mean hourly wages of \$37.89 and \$32.69, respectively. At the lower end of the wage scale were cashiers (\$8.72) and retail salespersons (\$11.94). (Detailed occupational data for sales and related are presented in <u>table 1</u>; for a complete listing of detailed occupations available go to www.bls.gov/oes/current/oes 13820.htm.)

Table A. Occupational employment and wages by major occupational group, United States and the Birmingham-Hoover Metropolitan Statistical Area, and measures of statistical significance, May 2013

	Percent of total	al employment	Mean hourly wage		
Major occupational group	United States	Birmingham	United States	Birmingham	Percent difference ¹
Total, all occupations	100.0%	100.0%	\$22.33	\$20.73*	-7
Management	4.9	4.2*	53.15	54.55*	3
Business and financial operations	5.0	4.0*	34.14	31.86*	-7
Computer and mathematical	2.8	2.7	39.43	34.63*	-12
Architecture and engineering	1.8	1.6*	38.51	34.39*	-11
Life, physical, and social science	0.9	0.6*	33.37	27.03*	-19
Community and social services	1.4	0.8*	21.50	20.38*	-5
Legal	0.8	0.7	47.89	41.72*	-13
Education, training, and library	6.3	5.6*	24.76	23.94	-3
Arts, design, entertainment, sports, and media	1.3	1.1	26.72	18.41*	-31
Healthcare practitioner and technical	5.8	7.8*	35.93	30.51*	-15
Healthcare support	3.0	2.8	13.61	12.49*	-8
Protective service	2.5	2.8*	20.92	17.15*	-18
Food preparation and serving related	9.0	7.6*	10.38	9.76*	-6
Building and grounds cleaning and maintenance	3.2	2.8*	12.51	10.90*	-13
Personal care and service	3.0	2.5*	11.88	10.43*	-12
Sales and related	10.6	12.5*	18.37	18.00	-2
Office and administrative support	16.2	17.2*	16.78	16.17*	-4
Farming, fishing, and forestry	0.3	0.1*	11.70	14.86*	27
Construction and extraction	3.8	4.5*	21.94	19.16*	-13
Installation, maintenance, and repair	3.9	4.7*	21.35	20.31*	-5
Production	6.6	6.2	16.79	16.23*	-3
Transportation and material moving	6.8	7.2	16.28	15.63	-4

^{*} The percent share of employment or mean hourly wage for this area is significantly different from the national average of all areas at the 90-percent confidence level.

Location quotients allow us to explore the occupational make-up of a metropolitan area by comparing the composition of jobs in an area relative to the national average. (See <u>table 1</u>.) For example, a location quotient of 2.0 indicates that an occupation accounts for twice the share of employment in the area than it does nationally. In the Birmingham-Hoover Metropolitan Statistical Area, above average concentrations of employment were found in some of the occupations within the sales and related group. For instance, insurance sales agents were employed at 2.1 times the national rate in Birmingham, and sales representatives, wholesale and manufacturing, except technical and scientific products, at 1.9 times the U.S. average. On the other hand, retail salespersons had a location quotient of 1.0 in Birmingham, indicating that this particular occupation's local and national employment shares were similar.

These statistics are from the Occupational Employment Statistics (OES) survey, a federal-state cooperative program between BLS and State Workforce Agencies, in this case, the Alabama Department of Labor.

¹ A positive percent difference measures how much the mean wage in Birmingham is above the national mean wage, while a negative difference reflects a lower wage.

OES wage and employment data for the 22 major occupational groups in the Birmingham Metropolitan Statistical Area were compared to their respective national averages based on statistical significance testing. Only those occupations with wages or employment shares above or below the national wage or share after testing for significance at the 90-percent confidence level meet the criteria.

NOTE: A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

Technical Note

The Occupational Employment Statistics (OES) survey is a semiannual mail survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States. Guam, Puerto Rico, and the Virgin Islands are also surveyed, but their data are not included in the national estimates. OES estimates are constructed from a sample of about 1.2 million establishments. Forms are mailed to approximately 200,000 sampled establishments in May and November each year for a 3-year period. May 2013 estimates are based on responses from six semiannual panels collected in May 2013, November 2012, May 2012, November 2011, May 2011, and November 2010. The overall national response rate for the six panels is 75.3 percent based on establishments and 71.6 percent based on employment. The sample in the Birmingham-Hoover Metropolitan Statistical Area included 3,526establishments with a response rate of 77 percent. For more information about OES concepts and methodology, go to www.bls.gov/news.release/ocwage.tn.htm.

The OES survey provides estimates of employment and hourly and annual wages for wage and salary workers in 22 major occupational groups and 821 detailed occupations for the nation, states, metropolitan statistical areas, metropolitan divisions, and nonmetropolitan areas. In addition, employment and wage estimates for 94 minor groups and 458 broad occupations are available in the national data. OES data by state and metropolitan/nonmetropolitan area are available from www.bls.gov/oes/current/oessrcst.htm and www.bls.gov/oes/current/oessrcma.htm, respectively.

The May 2013 OES estimates are based on the 2010 Standard Occupational Classification (SOC) system and the 2012 North American Industry Classification System (NAICS). Information about the 2010 SOC is available on the BLS website at http://www.bls.gov/soc and information about the 2012 NAICS is available at www.bls.gov/bls/naics.htm.

Area definitions

The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget.

The **Birmingham-Hoover**, **Ala. Metropolitan Statistical Area** includes Bibb, Blount, Chilton, Jefferson, Shelby, St. Clair, and Walker Counties.

Additional information

OES data are available on our regional web page at www.bls.gov/regions/southeast. Answers to frequently asked questions about the OES data are available at www.bls.gov/oes/oes_ques.htm. Detailed technical information about the OES survey is available in our Survey Methods and Reliability Statement on the BLS website at www.bls.gov/oes/2013/may/methods_statement.pdf. Information in this release will be made available to sensory impaired individuals upon request – Voice phone: 202-691-5200; Federal Relay Service: 800-877-8339.

Table 1. Employment and wage data from the Occupational Employment Statistics survey, by occupation, Birmingham-Hoover Metropolitan Statistical Area, May 2013

	Emplo	yment	Mean wages	
Occupation (1)	Level (2)	Location quotient ⁽³⁾	Hourly	Annual ⁽⁴⁾
Sales and Related Occupations	61,160	1.2	\$18.00	\$37,430
First-Line Supervisors of Retail Sales Workers	6,540	1.5	19.75	41,070
First-Line Supervisors of Non-Retail Sales Workers	1,290	1.4	37.89	78,800
Cashiers	16,150	1.3	8.72	18,140
Counter and Rental Clerks	2,470	1.6	11.99	24,950
Parts Salespersons	870	1.1	15.53	32,310
Retail Salespersons	15,710	1.0	11.94	24,820
Advertising Sales Agents	460	0.8	23.96	49,850
Insurance Sales Agents	2,760	2.1	26.45	55,010
Securities, Commodities, and Financial Services Sales Agents	840	0.7	45.70	95,050
Travel Agents	150	0.6	18.17	37,800
Sales Representatives, Services, All Other	2,220	0.8	24.59	51,150
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	440	0.3	45.26	94,140
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	9,650	1.9	32.69	68,000
Demonstrators and Product Promoters	(5)	(5)	12.97	26,970
Real Estate Brokers	150	1.0	39.08	81,280
Real Estate Sales Agents	490	0.8	32.67	67,940
Sales Engineers	(5)	(5)	40.55	84,340
Telemarketers	600	0.7	11.81	24,560
Sales and Related Workers, All Other	210	0.5	12.29	25,560

⁽¹⁾ For a complete listing of all detailed occupations in Birmingham-Hoover, AL, see www.bls.gov/oes/current/oes_13820.htm.

⁽²⁾ Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown separately. Estimates do not include self-employed workers.

⁽³⁾ The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.

⁽⁴⁾ Annual wages have been calculated by multiplying the hourly mean wage by a 'year-round, full-time' hours figure of 2,080 hours; for those occupations where there is not an hourly mean wage published, the annual wage has been directly calculated from the reported survey data.
(5) Estimate not released.